



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Kevin M. Madden, Treasurer
National Association of Insurance and
Financial Advisors Political Action
Committee
2901 Telestar Court
Falls Church, VA 22042

JAN 23 2002

Identification Number: C00005249

Reference: Amended April Monthly Report (3/1/01-3/31/01), received 9/19/01

Dear Mr. Madden:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the

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contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2))
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-The outstanding balance of a debt owed to a creditor at the close of one report should be exactly the same as the beginning outstanding balance of the next report. The Amended March Monthly Report, received 9/19/01 shows an ending balance to the National Association of Insurance and Financial Advisors of \$59,399.44, while this report shows a beginning balance of \$53,999.44. Please amend your report to clarify this discrepancy.

-Schedule B of your report (pertinent portion(s) attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) prohibits a multicandidate committee and its affiliates from making a contribution to a candidate for federal office in excess of \$5,000 per election.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you made exceeds the limits, you must request a refund

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of the excessive amount or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund of the excessive amount.

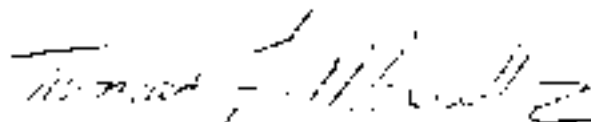
Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount deducted per pay period. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Thomas F. Maxwell, III
Reports Analyst
Reports Analysis Division

SCHEDULE B (FEC Form 3X)
ITEMIZED DISBURSEMENTS

Use separate schedule(s)
for each category of the
Detailed Summary Page

FOR LINE NUMBER:
(check only one)

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☐ 21b ☐ 22 ☒ 23 ☐ 24 ☐ 25
26 27 28a 28b 28c 29

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (In Full)

National Association of Insurance and Financial Advisors Political Action Committee

Full Name (Last, First, Middle Initial)

A. Friends of Byron Dorgan

Date of Disbursement

03 / 22 / 2001

Mailing Address

420 C Street, NE

Lower Level

City

Washington

State

DC

Zip Code

20002

Amount of Each Disbursement this Period

1000.00

Purpose of Disbursement

Contribution: Byron L. Dorgan (ND-D-US S

Candidate Name

Byron L. Dorgan (ND-D)

Category/
Type

Contribution: Byron L. Dorgan (ND-D-US

Office Sought:

House

X Senate

President

Disbursement For:

X Primary

General

Other (specify) ▼

State: ND

District: 0

Transaction ID: D6223

Full Name (Last, First, Middle Initial)

B. Hutchinson For Senate

Date of Disbursement

03 / 22 / 2001

Mailing Address

PO Box 747

City

Little Rock

State

AR

Zip Code

72203-9538

Amount of Each Disbursement this Period

1000.00

Purpose of Disbursement

Contribution: Tim Hutchinson (AR-R-US S

Candidate Name

Tim Hutchinson (AR-R)

Category/
Type

Contribution: Tim Hutchinson (AR-R-US

Office Sought:

House

X Senate

President

Disbursement For:

Primary

X General

Other (specify) ▼

State: AR

District: 0

Transaction ID: D6224

Full Name (Last, First, Middle Initial)

C. Barrett for Congress

Date of Disbursement

03 / 22 / 2001

Mailing Address

7720 Rogers Avenue

City

Wauwatosa

State

WI

Zip Code

53213

Amount of Each Disbursement this Period

1000.00

Purpose of Disbursement

Contribution: Thomas M. Barrett (WI-5-D-

Candidate Name

Thomas M. Barrett (WI-5-D)

Category/
Type

Contribution: Thomas M. Barrett (WI-5-D

Office Sought:

X House

Senate

President

Disbursement For:

X Primary

General

Other (specify) ▼

State: WI

District: 5

Transaction ID: D6225

SUBTOTAL of Disbursements This Page (optional) ▶

3000.00

TOTAL This Period (last page this line number only) ▶

SCHEDULE B

ITEMIZED DISBURSEMENTS

 Use separate schedule(s)
for each category of the
Detailed Summary Page

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FOR LINE NUMBER 1

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

National Association of Life Underwriters Political Action Committee

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends of Chris Dodd 313 3rd Street, NE Washington, DC 20002	Christopher J. Dodd CT-SEN \$2,000.00 Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) 1998	10/22/96	\$2,000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Ken Bentsen For Congress 3260 South Loop West Houston, TX 77025	Ken Bentsen TX-25 \$1,000.00 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) runoff 1996	11/14/96	\$1,000.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Brady for Congress P.O. Box 8277 The Woodlands, TX 77387	Kevin Brady TX-8 \$3,500.00 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) runoff 1996	11/14/96	\$2,500.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends of Steve Stockman PO Box 57135 Webster, TX 77598	Steve Stockman TX-9 \$1,000.00 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) runoff 1996	11/14/96	\$1,000.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hutchinson for Senate PO Box 747 Little Rock, AR 72203-9538	Tim Hutchinson AR-SEN \$7,000.00 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) 2002	11/14/96	\$5,000.00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

SUBTOTAL of Disbursements This Page (optional)

\$11,500.00

TOTAL This Period (last page this line number only)

\$11,500.00

* PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 3X)		Use separate screenshots for each category of the Detailed Summary Page		FOR LINE NUMBER (Check only one)	
ITEMIZED RECEIPTS				118 119 120 121 122 123	
Any information entered into each Receipt and Disclosure may not be used by any person for the purpose of making contributions or for commercial purposes, other than using it to determine and address if any political committee is exempt contributions from such purposes.					
NAME OF COMMITTEE (in full)					
Critical Reason Inc. PAC					
FAX NAME (last, first, middle initial)					
A. Name, Individual					
Mailing Address					
3 Critiques Ave.					
City					
Kooningsburg					
State					
VA					
Zip Code					
22225					
FEC ID number of contributing individual political committee					
C					
Name of Employer					
Critical Reason Inc.					
Occupation					
Executive Officer					
Receipt For					
<input type="checkbox"/> Military <input type="checkbox"/> General <input type="checkbox"/> Other (specify)					
Aggregate Year-to-Date					
285.00					
Date of Receipt					
<div>payroll deduction</div> <div>(\$15 biweekly)</div>					
Amount of Each Receipt for Period					
90.00					

*Adding Extra Text/Explanation: When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." Single click (highlight) the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

*When using FECFile electronic filing software, enter this information in the "description" field.

Categorizing Receipts

Before beginning to itemize the committee's receipts, separate them into the different categories listed on the Detailed Summary Page ("Contributions from Individuals," "Contributions from Political Committees," etc.; an illustration of a completed Detailed Summary Page appears on pages 54-55). The receipts in each category must be itemized on a separate Schedule A designated for that category.

Indicate the type of receipt itemized on a particular Schedule A by checking the box for the corresponding line number from the Detailed Summary Page where indicated in the upper right corner of the schedule. The appropriate category of receipt may also be written at the top of each page.

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

Itemized Information

For each itemized contribution, provide:

- The full name and address (including zip code) of the contributor or other source;
- The name of the contributor's employer (if the contributor is an individual);

- The contributor's occupation (if the contributor is an individual);
- The date of receipt;
- The amount; and
- The aggregate year-to-date total of all receipts (within the same category) from the same source. 104.3(a)(3). The space indicating the election for which an itemized contribution was made ("Receipt For") does not apply to SSFs; leave those boxes blank.

Special "Employer" Information

If a contributor is self-employed, that should be recorded in the Employer space. If a contributor is not employed, the Employer space should be left blank, but the Occupation space should always be completed (e.g., "unemployed," "retired," "homemaker").

Best Efforts Required

Note that committees and their treasurers must use "best efforts" to obtain and report the information listed above. See page 36 for more information.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

